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AUTHOR Peach, Larry E.; Reddick, Thomas L.
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ABSTRACT

A sample of teachers, principals, supervisors, superintendents, school board members, and county commissioners across Tennessee responded to questionnaires concerning funding patterns and revenue sources for public education. Except for the commissioners, who are the funding agents for school systems in Tennessee and are responsible for setting tax rates, all groups were dissatisfied with present funding levels for education. The respondents supported raising funds through parimutuel betting, and through alcohol and tobacco products, retail sales, and severance taxes. General support was indicated for increasing funding of basic skills instruction and teacher salaries (indexed to the cost of living), providing programs for the gifted and talented, and reducing teacher-pupil ratios. Reactions were mixed regarding expending monies for athletics, bands, extracurricular activities, and the elimination of the need for school fund-raising activities. The respondents also split over support for income taxes and for legislation allowing local school boards to set school tax rates. (PGD)

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A STATE-WIDE STUDY OF FINANCIAL ISSUES AFFECTING TENNESSEE PUBLIC SCHOOLS

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Thomas L. Reddick

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Research Paper Presented at
The Annual Meeting of
The Eastern Educational Research Association
at Virginia Beach, Virginia
February 6-8, 1985

by

Dr. Larry E. Peach, Associate Professor
Department of Administration and Supervision
Tennessee Technological University
Cookeville, Tennessee 38505

and

Dr. Thomas L. Reddick, Professor
Department of Administration and Supervision
Tennessee Technological University
Cookeville, Tennessee 38505

EA 018 082

A STATE-WIDE STUDY OF FINANCIAL ISSUES AFFECTING TENNESSEE PUBLIC SCHOOLS

Introduction

Financial issues continue to be a major concern in public education. Escalating emphasis upon improvements in the quality of education are coupled with an increased demand for the tax dollar. Tax reform and funding are imminent problems affecting Tennessee public schools. This study was undertaken to assess the attitudes of educators and public officials regarding funding patterns and revenue sources for educational services in the State of Tennessee.

Purpose of the Study and Major Objectives

This study focused on an assessment of funding issues and revenue sources pertinent to public education in Tennessee. The study is significant because data were collected and analyzed which showed the perceptions of teachers and building level principals, system-wide supervisors, superintendents of schools, school board members, and county commissioners regarding the financing of public education. School board members determine the policies under which public school systems operate. County Commissioners (in Tennessee) are the funding agents for school systems and set tax rates. Teachers and school administrators are professional educators charged with the responsibility of teaching, operating, and managing the public schools. The information from this study should be helpful in providing an understanding of present financial practices and serve as a foundation for future financial planning.

Research Procedure

A questionnaire was developed to measure the attitudes of a state-wide sample of educators and public officials on selected financial issues affecting public schools in Tennessee. The questionnaires were mailed to 600 public school teachers and building level principals, 175 system-wide supervisors, 147 superintendents of schools, 294 school board members, and 190 county commissioners.

The return rate for the questionnaires was as follows: Teachers and Building Level Principals - 514 (86 percent); System-Wide Supervisors - 128 (73 percent); Superintendents of Schools - 98 (67 percent); School Board Members - 101 (35 percent); and County Commissioners - 107 (57 percent).

The "Statistical Package for the Social Sciences" (SPSS) was used in the analysis of the data. Chi Square was used to treat the data and determine the level of significance. The .05 level was considered significant.

Null Hypothesis

There were no statistically significant differences among respondent groups on the questionnaire items.

Presentation and Analysis of Data

A descriptive presentation of the data using an item by item technique follows:

Legend: Tea-Prin = Teachers and Principals; CC = County Commissioners
Superv. = Central Office Supervisors;
Bd.M. = School Board Members; Supt. = Superintendnets of Schools;
SA = Strongly Agree; A = Agree; U = Undecided; D = Disagree;
SD = Strongly Disagree

1. I am satisfied with the present level of funding for public education.

	SA	A	U	D	SA
Tea-Prin	1.4	7.4	3.3	37.2	50.8
Superv.	0.8	8.7	3.1	31.5	55.9
Supt.	2.0	5.1	2.0	38.8	52.0
Bd. M.	6.9	17.8	3.0	49.5	22.8
CC	5.6	36.4	10.3	32.7	15.0

Chi Square 148.56 Significance .0000

All groups, with the exception of county commissioners, were not satisfied with the present level of funding for public education. County commissioners in Tennessee are the fiscal agents at the local level of government.

2. I support the expenditure of school funds for increasing instructional in basic skills.

Tea-Prin	44.0	39.1	7.4	5.6	3.9
Superv.	42.2	47.7	3.9	3.9	2.3
Supt.	45.9	41.8	6.1	6.1	0.0
Bd. M.	43.1	50.0	3.9	2.0	1.0
CC	41.7	50.0	2.8	0.0	5.6

Chi Square 26.68 Significance .0452

All groups favored the expenditure of school funds for improvements in the basic skills.

3. I support the expenditure of school funds for expanding athletic programs.

Tea-Prin	6.8	26.5	19.3	31.3	16.1
Superv.	3.1	24.2	27.3	33.6	11.7
Supt.	4.1	25.5	19.4	36.7	14.3
Bd. M.	9.9	38.6	15.8	26.7	8.9
CC	7.5	32.7	19.6	29.0	11.2

Chi Square 22.50 Significance .1279

The groups, other than school board members, disagreed that more money should be spent to expand athletic programs.

4. I support the expenditure of school funds for expanding school dramatics programs.

	SA	A	U	D	SA
Tea-Prin	4.9	38.9	22.8	24.7	8.8
Superv.	7.8	28.9	35.2	24.2	3.9
Supt.	4.1	40.8	21.4	26.5	7.1
Bd. M.	3.9	32.4	21.6	37.3	4.9
CC	0.9	29.0	27.1	35.5	7.5

Chi Square 31.52 Significance .0115

School board members and county commissioners did not favor expenditures to expand school dramatics programs.

5. I support the expenditure of school funds for additional elementary physical education teachers.

Tea-Prin	39.4	47.6	4.3	5.8	2.9
Superv.	17.2	57.0	11.7	11.7	2.3
Supt.	23.5	61.2	3.1	10.2	2.0
Bd. M.	18.6	55.9	9.8	10.8	4.9
CC	20.4	56.5	9.3	12.0	1.9

Chi Square 81.04 Significance .0000

There was general agreement that funds be provided for additional physical education teachers.

6. I support the expenditure of school funds for improving school band programs.

Tea-Prin	12.2	47.8	17.9	16.5	5.6
Superv.	6.3	41.7	21.3	22.8	7.9
Supt.	2.0	54.1	16.3	24.5	3.1
Bd. M.	6.9	48.0	20.6	18.6	5.9
CC	0.0	38.9	20.4	34.3	6.5

Chi Square 46.01 Significance .0001

Educators and board members agreed that school band programs should be improved. A majority of the county commissioners disagreed.

7. I support the expenditure of school funds for increasing teacher salaries by a cost of living index.

	SA	A	U	D	SA
Tea-Prin	71.7	23.1	2.1	1.7	1.4
Superv.	46.9	38.3	2.3	7.8	4.7
Supt.	45.9	41.8	2.0	7.1	3.1
Bd. M.	19.6	37.3	13.7	18.6	10.8
CC	19.4	37.0	8.3	23.1	12.0

Chi Square 244.58 Significance .0000

All groups were in agreement.

8. I support the expenditure of school funds for providing art and music programs.

Tea-Prin	30.4	55.2	6.8	5.2	2.3
Superv.	20.3	56.3	14.1	7.8	1.6
Supt.	23.5	62.2	7.1	5.1	2.0
Bd. M.	6.9	57.8	16.7	13.7	4.9
CC	5.6	53.3	21.5	14.0	5.6

Chi Square 86.22 Significance .0000

There was agreement among all groups.

9. I support the expenditure of school funds for providing special programs for gifted and talented students.

Tea-Prin	33.4	44.3	11.5	7.6	3.3
Superv.	18.8	60.9	6.3	13.3	0.8
Supt.	25.5	59.2	4.1	7.1	4.1
Bd. M.	29.4	50.0	5.9	10.8	3.9
CC	15.7	50.0	14.8	15.7	3.7

Chi Square 46.05 Significance .0001

The expenditure of funds for gifted and talented student programs gained the support of all groups.

10. I support the expenditure of school funds for lowering the pupil-teacher ratio.

	SA	A	U	D	SA
Tea-Prin	61.4	31.8	2.3	3.1	1.4
Superv.	30.5	47.7	10.2	10.9	0.8
Supt.	20.4	40.8	10.2	23.5	5.1
Bd. M.	19.6	33.3	10.8	29.4	6.9
CC	23.1	32.4	19.4	24.1	0.9

Chi Square 235.46 Significance .0000

A majority of each group agreed.

11. I am in favor of a personal income tax for residents of Tennessee.

Tea-Prin	12.9	15.4	28.9	14.8	27.9
Superv.	21.0	31.5	16.1	13.7	17.7
Supt.	26.5	22.4	20.4	15.3	15.3
Bd. M.	7.9	19.6	20.6	19.8	32.4
CC	14.8	17.6	13.9	16.7	37.0

Chi Square 60.88 Significance .0000

It is interesting to note that supervisors and superintendents favored a personal income tax, while teachers, principals, board members and county commissioners did not. The undecided category is noteworthy.

12. I am in favor of legislation which would allow local school boards to set tax rates for education.

Tea-Prin	10.5	16.3	30.4	19.8	23.0
Superv.	18.3	28.6	23.0	14.3	15.9
Supt.	29.6	29.6	13.3	14.3	13.3
Bd. M.	14.7	23.5	8.8	28.4	24.5
CC	14.0	10.3	4.7	20.6	50.5

Chi Square 129.26 Significance .0000

Teachers-principals disagreed that local school systems be fiscally independent. Board members and county commissioners also disagreed with this concept. The central office supervisors and superintendents agreed.

13. I favor eliminating school fund raising activities by paying more taxes to support school needs.

	SA	A	U	D	SA
Tea-Prin	15.2	22.4	16.3	31.5	14.6
Superv.	26.6	33.6	14.1	18.8	7.0
Supt.	38.8	28.6	8.2	18.4	6.1
Bd. M.	10.8	31.4	7.8	32.4	17.6
CC	10.2	16.7	18.5	33.3	21.3

Chi Square 80.96 Significance .0000

The teacher-principal group did not favor increasing taxes to eliminate fund raising activities in the schools. Board members and county commissioners agreed with this group. The superintendents and supervisors thought this be an appropriate change.

14. I believe that cuts in funding for education by the federal government will be detrimental to the quality of education in Tennessee.

Tea-Prin	51.8	24.4	8.6	9.6	5.7
Superv.	30.5	25.8	11.7	20.3	11.7
Supt.	32.7	30.6	10.2	16.3	10.2
Bd. M.	34.7	27.7	14.9	15.8	6.9
CC	38.0	28.7	13.0	15.7	4.6

Chi Square 44.02 Significance .0002

All groups agreed.

15. I am in favor of legalizing parimutuel betting for dog and horse racing in Tennessee.

Tea-Prin	26.2	18.8	15.9	11.5	27.6
Superv.	27.3	24.2	10.9	14.1	23.4
Supt.	29.9	18.6	19.6	13.4	18.6
Bd. M.	28.4	27.5	8.8	13.7	21.6
CC	16.7	29.6	8.3	25.0	20.4

Chi Square 37.20 Significance .0020

All groups favored legalizing dog and horse racing.

16. I believe that additional taxes on alcohol and tobacco should be assessed for supporting education.

	SA	A	U	D	SA
Tea-Prin	42.9	38.3	8.5	7.2	3.1
Superv.	32.8	45.3	9.4	6.3	6.3
Supt.	48.0	29.6	11.2	8.2	3.1
Bd. M.	36.6	33.7	7.9	13.9	7.9
CC	33.3	32.4	13.0	13.9	7.4

Chi Square 30.04 Significance .0178

All groups agreed that the "sinners" should be taxed.

17. I believe that additional taxes on natural resources mined in Tennessee should be assessed for supporting education.

Tea-Prin	20.8	32.6	30.7	12.6	3.3
Superv.	15.6	43.0	25.0	11.7	4.7
Supt.	30.6	44.9	17.3	4.1	3.1
Bd. M.	25.7	23.8	25.7	18.8	5.9
CC	18.5	26.9	22.2	24.1	8.3

Chi Square 50.22 Significance .0000

The groups all agreed.

18. I believe that additional taxes on business and industry in Tennessee should be assessed for supporting education.

Tea-Prin	16.9	35.1	25.2	17.7	5.0
Superv.	15.6	33.6	24.2	18.0	8.6
Supt.	15.3	40.8	27.6	10.2	6.1
Bd. M.	10.8	16.7	28.4	31.4	12.7
CC	7.5	19.6	28.0	29.0	15.9

Chi Square 59.49 Significance .0000

The board members and county commissioners did not agree on this item.

19. I favor legislation that requires the merging of all public schools within a county into one administrative and fiscal unit.

	SA	A	U	D	SA
Tea-Prin	26.0	25.2	18.2	14.9	15.7
Superv.	25.8	25.0	17.2	13.3	18.8
Supt.	29.6	14.3	14.3	10.2	31.6
Bd. M.	20.8	17.8	11.9	30.7	19.9
CC	24.3	27.1	15.9	11.2	21.5

Chi Square 40.72 Significance .0006

All of the groups agreed.

20. If additional money were needed for operating schools, rank in order of preference (1-6) your choice for securing additional funds. (1= highest preference - 6= lowest preference).

Type of Tax	Median Level of Preference	Rank
Retail Sales Tax	2.101	1
Alcohol-Tobacco	2.361	2
Parimutuel Betting	2.512	3
Severance Tax	3.130	4
Local Property Tax	3.889	5
State Income Tax	4.217	6

Summary of Results

The primary sources for funding public education in Tennessee are based on a regressive tax system. The major revenue sources include retail sales taxes (state and local) and the local real property tax. Tennessee does not have a personal income or payroll tax. The graduated income tax is considered to be a more progressive tax since it weighs more equitabily upon the taxpayer.

All groups were dissatisfied with the present level of funding for public education. The collective responses of the groups revealed that additional funds should be provided through parimutuel betting; sumptuary taxes; severance taxes; and the retail sales tax.

There was general support among the respondents to expend funds for increasing basic skills instruction; increasing salaries using a cost of living index; providing programs for the gifted and talented students; and reducing the teacher-pupil ratio. Reactions were mixed regarding expending additional monies for athletics, bands, extra-curricular activities, and the elimination of school fund raising activities.

The study measured and analyzed the attitudes of teachers, administrators, and policy makers. Therefore, the ideas and attitudes of these groups are helpful in understanding public school financial policies and future directions for educational programs and services.